

**CITY OF LITTLE RIVER, KANSAS**  
**SPECIAL FINANCIAL STATEMENT**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

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**Certified Public Accountant**  
**McPherson, Kansas 67460**

**CITY OF LITTLE RIVER, KANSAS**

**SPECIAL FINANCIAL STATEMENT**

**REGULATORY BASIS**

**For the Year Ended December 31, 2014**

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**CITY OF LITTLE RIVER, KANSAS**  
**SPECIAL FINANCIAL STATEMENT**  
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## INDEPENDENT AUDITORS' REPORT

To the City Council  
City of Little River, Kansas  
Little River, Kansas

We have audited the accompanying Summary Statement of Receipts, Expenditures, and Unencumbered Cash of the City of Little River, Kansas, as of and for the year ended December 31, 2014 and the related notes to the financial statement.

### Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1 to meet the financial reporting requirements of the State of Kansas; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit and Accounting Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



#### **Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles**

As described in Note 1 of the financial statement, the financial statement is prepared by the City of Little River, Kansas to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

#### **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Little River, Kansas as of December 31, 2014 or changes in financial position and cash flows thereof for the year then ended.

#### **Opinion on Regulatory Basis of Accounting**

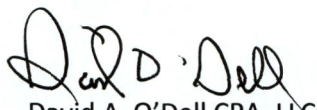
In our opinion, the financial statement referred to above presents fairly, in all material respects the aggregate cash and unencumbered cash balance of the City of Little River, Kansas as of December 31, 2014 and the aggregate receipts and expenditures for the year then ended in accordance with the financial and reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

#### **Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the 2014 fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures – actual and budget and individual fund schedules of regulatory basis receipts and expenditures – actual and budget, (schedules 1 and, 2 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the 2014 basic financial statement, however, are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2014 basic financial statement. The 2014 information has been subjected to the auditing procedures applied in the audit of the 2014 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2014 basic financial statement or to the 2014 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 2014 basic financial statement as a whole on the basis of accounting described in Note 1.

The 2013 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget (schedules 2 as listed in the table of contents) are also presented for

comparative analysis and are not a required part of the 2013 basic financial statement upon which we rendered an unmodified opinion dated July 14, 2014. The 2013 basic financial statement and our accompanying report are not presented herein but are available in electronic from the web site of the Kansas Department of Administration, Office of Management Analysis and Standards at the following link <http://da.ks.gov/ar/muniserv/>. Such 2013 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2013 basic financial statement. The 2013 comparative information was subjected to the auditing procedures applied in the audit of the 2013 basic financial statement and certain additional procedures, including, comparing, and reconciling such information directly to the underlying accounting statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion the 2013 comparative information is fairly stated in all material respects in relation to the 2013 basic financial statement as a whole on the basis of accounting described in Note 1.

  
David A. O'Dell CPA, LLC  
McPherson, Kansas  
July 28, 2015



CITY OF LITTLE RIVER, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH  
REGULATORY BASIS  
For the Year Ended December 31, 2014

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
GENERAL FUND:							
General Operating Fund	\$ 272,127	\$ -	\$ 202,875	\$ 212,637	\$ 262,365	\$ 20,519	\$ 282,884
SPECIAL PURPOSE FUNDS:							
Library Fund	163	-	9,010	9,173	-	-	-
Employee Benefit Fund	183	-	13,549	13,333	399	-	399
Special Highway Fund	500	-	14,186	14,686	-	-	-
Total Special Purpose Funds	846	-	36,745	37,192	399	-	399
CAPITAL PROJECT FUND:							
Municipal Equipment Reserve Fund	30,000	-	10,000	-	40,000	-	40,000
BUSINESS FUNDS							
Gas Utility Fund	84,257	-	236,457	201,529	119,184	37,433	156,617
Water Utility Fund	261,806	-	136,549	126,317	272,038	16,370	288,408
Sewer Utility Fund	52,208	-	66,820	66,864	52,164	15,559	67,723
Solid Waste Fund	15,095	-	30,257	28,677	16,675	2,354	19,029
Total Business Funds	413,366	-	470,083	423,387	460,061	71,715	531,776
Total Primary Government	716,339	-	719,703	673,216	762,825	92,234	855,059
Total Reporting Entity (Excluding Agency Funds)	\$ 716,339	\$ -	\$ 719,703	\$ 673,216	\$ 762,825	\$ 92,234	\$ 855,059

The notes to the financial statement are an integral part of this statement.

CITY OF LITTLE RIVER, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH  
REGULATORY BASIS

For the Year Ended December 31, 2014

STATEMENT 1  
Page 2 of 2

COMPOSITION OF CASH:	
Checking Accounts - City Clerk	\$ 577,694
Certificates of Deposit - City Clerk	277,365
	<hr/>
Total Cash - Primary Government (Excluding Agency Funds)	855,059

The notes to the financial statement are an integral part of this statement.



# CITY OF LITTLE RIVER, KANSAS

## NOTES TO SPECIAL FINANCIAL STATEMENT

December 31, 2014

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### ***(a) Financial Reporting Entity***

The City of Little River is a municipal corporation governed by an elected six-member council. These financial statements present the City of Little River (the primary government). The city has elected not to present the schedule of cash receipts and expenditures for its related municipal entities the Little River Public Library and the Firemen's Relief Association.

#### ***(b) Regulatory Basis Fund Types***

The accounts of the Municipality are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its cash, liabilities, fund balance, receipts and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the measures by which spending activities are controlled. Funds are classified into three regulatory basis fund categories: governmental, business type and fiduciary. Within each of these three categories there are one or more fund types. The city used the following fund types:

##### **Governmental Fund Types**

These are the funds through which most governmental functions typically are financed. The funds included in this category are as follows:

General Operating Fund - This fund is established to account for resources devoted to financing the general services that the City performs for its citizens. General tax revenues and other sources of revenue used to finance the fundamental operations of the City are included in this fund. This fund is charged with all costs of operating the government for which a separate fund has not been established.

Special Purpose Funds - These funds are established to account for the proceeds of specific revenue sources other than special assessments expendable trusts or major capital projects that are legally restricted to expenditures for specified purposes.

Bond and Interest Funds - These funds are established for the purpose of accumulating resources for the payment of interest and principal on long-term general obligation debt other than those payable from Enterprise Funds and Special Assessment Funds.

Capital Project Funds - These funds account for financial resources to be used for the acquisition or construction of major capital facilities which are not financed by Proprietary and Trust funds.

##### **Business Fund Types**

These funds account for operations that are self-supporting through user charges. The funds included in this category are Business Funds and Internal Service Funds.

Business Funds - These funds are established to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.



Internal Service Funds - These funds are established to account for the financing of goods or services provided by one department or other departments of the City on a mostly cost-reimbursement basis.

### **Fiduciary Fund Types**

These funds account for assets held by the City as a trustee or agent for individuals, private organizations and other units of governments. These funds are as follows:

Trust Funds - These funds are used to account for funds that are to be used for expenditures incurred by City employees and for funds held in escrow for other parties.

Agency Funds - These funds are used to account for assets received for, held for, and disbursed to individuals, other State and Local Government unit funds or other governmental or private sector organizations.

### **(c) Basis of Accounting**

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America. The Kansas Municipal Audit and Accounting Guide (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the fund and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities, or deferred inflows or outflows other than those mentioned above.

The Municipality has approved a resolution that is in compliance with K.S.A. 75-1220a(c) waiving the requirement for application of generally accepted accounting principles and allowing the municipality to use the regulatory basis of accounting.

The basis of accounting described above results in a financial statement presentation which shows cash receipts, cash disbursements, cash and unencumbered cash balances and expenditures compared to budget. Balance sheets that would have shown noncash assets such as receivables, inventories and prepaid expenses, liabilities such as deferred revenue and matured principal and interest payable and reservations of the fund balance are not presented. Under accounting principles generally accepted in the United States of America, encumbrances are only recognized as a reservation of fund balance: encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with accounting principles generally accepted in the United States of America. General fixed assets that account for the land, building and equipment owned by the municipality are not presented in the financial statements. Also, general long-term debt such as general obligation bonds, temporary notes and compensated absences are not presented in the financial statements.

### **(d) Budget and Tax Cycle**

Kansas statutes require that an annual operating budget be legally adopted for the General Operating Fund, Special Purpose Funds (unless specifically exempted by statute), Bond and Interest Funds and Business Type Funds. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding year on or before August 1.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5.
3. Public hearing on or before August 15, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the



budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. Revenues are recognized when cash is received. Expenditures include disbursements, accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. All unencumbered appropriations (legal budget expenditure authority) lapse at year end.

A legal operating budget is not required for Capital Project Funds and Agency Funds.

Spending in funds which are not subject to the legal annual operating budget requirement are controlled by federal regulations, other statutes or by the use of internal spending limits established by the governing body.

#### ***(f) Special Assessments***

Projects financed in part by special assessments are financed through general obligation bonds of the City and are retired from the Bond and Interest Fund. Special assessments paid prior to the issuance of bonds are recorded as revenue in the appropriate project. Special assessments received after the issuance of bonds are recorded as revenue in the Bond and Interest Fund.

#### ***(g) Subsequent Events***

Subsequent events have been evaluated through July 28, 2015, which is the date the audited financial statements were available to be issued.

#### ***(h) Reimbursements***

A reimbursement is an expenditure or expense made initially made in one fund but properly attributable to another fund. The City of Little River, Kansas records reimbursable expenditures (or expenses) in the fund that makes the disbursement and records the reimbursements as revenue to that fund. For purposes of budgetary comparisons, the expenditures (or expenses) are properly offset by the reimbursements.

#### ***(i) Property Tax Calendar***

Collection of current year property tax by the County Treasurer is not completed, apportioned not distributed to the various subdivisions until the succeeding year, such procedure being in conformity with governing state statutes. Property taxes are collected and remitted to the County Treasurer. Taxes levied annually on November 1<sup>st</sup> are due one-half by December 20<sup>th</sup> and one-half by May 10<sup>th</sup>. Major tax distributions are made in the months of December and July. Lien dates for personal property are in March and August and lien dates for real property are September. Taxes are recognized as revenue in the year received. Delinquent tax payments are recognized as revenue in the year received.

#### ***(j) Restricted Assets***

Restricted cash balances are reported in various funds that are legally restricted for specific uses such as the payment of debt service and fiscal fees on long-term debt and for expenditures approved in federal and state grant contracts. Also cash is restricted in trust and agency funds of the City for special purposes.

## **2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

### ***Compliance with Kansas Statutes***



The city was in violation of K.S.A. 10-816 which prohibits the city from having outstanding checks that are more than two years old. At December 31, 2014 the City had checks totaling \$61.22 more than two years old.

### **3. CASH AND INVESTMENTS**

#### ***(a) Deposits and Investments***

K.S.A. 9-1401 establishes the depositories which may be used by the Municipality. The statute requires banks eligible to hold the Municipality's funds have a main or branch bank in the county in which the Municipality is located, or in the adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition K.S.A 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The Municipality has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the Municipality's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities, temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The Municipality has no investment policy that would further limit its investment choices

At December 31, 2014, the carrying amount of the City, including certificates of deposit, was \$855,059. The bank balance was \$891,126. The difference between the carrying amount and the bank balance is checks outstanding and deposits in transit. Of the bank balance \$250,000 was covered by FDIC insurance and the remaining \$641,126 was collateralized by pledged securities held under safekeeping receipts issued by a third-party bank in the bank's name with the City listed as pledgee and deposit surety bonds.

Kansas statutes authorize the City to invest in U.S. Treasury Bills and Notes, repurchase agreements, and the Kansas Municipal Investment Pool. All investments must be insured, registered, or held by the City or its agent in the City's name. The Kansas Municipal Investment Pool is not subject to the risk category classifications. The City had no investments at December 31, 2014.

#### ***(b) Concentration of Credit Risk***

State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

#### ***(c) Custodial Credit Risk - Deposits***

Custodial credit risk is the risk that in the event of bank failure, the Municipality's deposits may not be returned to it. State statutes require the Municipality's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at December 31, 2014.

### **4. PENSION COSTS AND EMPLOYEE BENEFITS**

#### ***(a) Defined Benefit Pension Plan***

*Plan Description.* The City participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (400 SW 8th Avenue, Suite 200; Topeka, KS 66603-3925) or by calling 1-800-228-0366.

*Funding Policy.* K.S.A. 74-4919 and K.S.A. 74-49,201 establishes the KPERS member-employee contribution rate at 5% of covered salary for tier 1 employees and 7% for tier 2 employees. Tier two became effective July 1, 2009. .



The employer collects and remits member-employee contributions according to the provisions of section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rate be determined annually based on the results of an annual actuarial valuation. KPERS is funded on an actuarial reserve basis. State law sets a limitation on annual increases in the contribution rates for KPERS employers. The employer rate established by statute for calendar year 2014 is 9.8%. The City employer contributions to KPERS for the years ending December 31, 2014, 2013, and 2012 were \$12,928, \$11,554, and \$10,233, respectively, equal to the statutory required contributions for each year.

**(b) Other Employee Benefits**

Vacation – Full-time employees are entitled to paid vacation leave time according to the following schedule: provided, no paid vacation leave time may be taken during the first twelve months of employment with no carry over from year to year.

<u>Years of Service</u>	<u>Per Year</u>
After 1 Year Continuous Employment	5 Days
After 2 Years Continuous Employment	10 Days
After 3 Years Continuous Employment	15 Days

All vacation was used as of December 31, 2014.

Sick leave – Full-time employees, shall be entitled to sick leave with pay for absences resulting from illness, injuries, accidents or other physical incapacity, occurring either on or off the job.

Amount of sick leave – Full-time employees shall earn eight hours of sick leave for each full month of service.

Accumulation of sick leave – No employee may accrue more than 480 hours of sick leave. An employee shall not be paid for any unused sick leave upon termination of his or her employment with the City.

**(c) Other Post Employment Benefits**

As provided by K.S.A. 12-5040 the municipality allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the municipality is subsidizing the retirees because each participant is charged a level premium regardless of age. However the cost of this subsidy has not been quantified in this financial statement

Under the Consolidated Omnibus Budget Reconciliation Act the government makes health care benefits available for eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage.

**5. CLAIMS AND JUDGMENTS**

The City is exposed to various risks of loss related to property loss, torts, and errors and omissions. The City has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage in 2014 and there were no settlements that exceeded insurance coverage in 2014.

**6. INTERFUND TRANSFERS**

<u>From</u>	<u>To</u>	<u>Statutory Authority</u>	<u>Amount</u>
Gas Utility Fund	General Fund	K.S.A. 12-630a	\$ 5,000
Special Highway	General Fund	K.S.A. 15-718	3,673
Water Utility Fund	General Fund	K.S.A. 12-630a	10,000
General Fund	Equipment Reserve Fund	K.S.A. 12-1,117	10,000
General Fund	Employee Benefit Fund	K.S.A. 16-102	800



## 7. CAPITAL PROJECTS

There were no significant capital projects during the years ended December 31, 2014 or December 31, 2013.

## 8. FUND NET POSITION

Reserves of business funds are created by increases in assets restricted for encumbered expenditures chargeable to the 2013 budget but paid out in 2014. Outstanding encumbrances and accounts payable by fund are as follows:

Fund Description	Accounts Payable	Encumbrance	Total
General Operating	\$ 5,519	\$15,000	\$20,519
Gas Utility	\$22,433	\$15,000	\$37,433
Water Utility	\$ 1,370	\$15,000	\$16,370
Sewer Utility	\$ 559	\$15,000	\$15,559
Solid Waste	\$ 2,354	\$ -0-	\$ 2,354

## 9. LONG TERM DEBT

The City of Little River, Kansas has the following types of Long-Term Debt:

### *Sewer Fund:*

Note payable to KDHE dated March 1, 2006 in the amount of \$ 190,383 due in semi-annual installments of \$6,130 including interest at 2.75% due September 1, 2026 with an outstanding balance of \$120,165.

### *Water Fund:*

Note payable to KDHE dated February 1, 2011 in the amount of \$507,394 due in semi-annual installments of \$18,493 including interest at 3.32% due February 1, 2031 with an outstanding balance of \$432,465.

### *General Obligation Bonds:*

General Obligation Bond Payable to the State of Kansas dated January 21, 2011 in the amount of \$42,000 with annual payments of \$2,429 including interest at 4.0% due January 21, 2041 with an outstanding balance of \$38,820. The payment due 1/21/15 was made in December 2014 consequently the current maturities schedule shows no principal or interest due in 2014.

Changes in long-term liabilities for the City of Little River, Kansas for the year ended December 31, 2012 are as follows:

Issue	Interest Rates	Date of Issue	Amount Of Issue	Date of Final Maturity	Balance Beginning Of Year	Additions	Payment	Net Change	Balance End of Year	Interest Paid
General Obligation Bond										
Series 2011 General obligation bond	4.00%	1/21/2011	\$42,000	1/21/2041	\$39,662	\$-0-	\$842	(\$842)	\$38,820	\$1,586
Revenue Notes										
Kansas Department of Health and Environment Sewer System	2.75%	9/1/2006	\$190,383	3/1/2026	\$128,938	\$-0-	\$8,773	(\$8,773)	\$120,165	\$3,486
Kansas Department of Health and Environment Water System	3.32%	2/1/2011	\$507,394	2/1/2031	\$451,249	\$-0-	\$18,784	(18,784)	\$432,465	\$16,390

Current maturities of long-term liabilities of the City of Little River, Kansas for the next five years and in five year increments through maturity are as follows:

Issue	2015	2016	2017	2018	2019	2020-2024	2025-2029	2030-2034	2035-2039	2040-2041
General Obligation Bond										
Series 2011 General obligation bond	\$-0-	\$876	\$911	\$948	\$985	\$5,551	\$6,754	\$8,217	\$9,997	\$4,581
Revenue Notes Principal Payments										
Kansas Department of Health and Environment Sewer System	\$9,016	\$9,266	\$9,523	\$9,786	\$10,057	\$54,621	\$17,896	\$-0-	\$-0-	\$-0-
Kansas Department of Health and Environment Water System	\$19,480	\$20,202	\$20,950	\$21,726	\$22,530	\$125,804	\$150,891	\$50,882	\$-0-	\$-0-
General Obligation Bond										
Series 2011 General obligation bond interest	\$-0-	\$1,553	\$1,518	\$1,481	\$1,444	\$6,593	\$5,360	\$4,227	\$2,447	\$277
Revenue Notes Interest Payments										
Kansas Department of Health and Environment Sewer System interest	\$3,243	\$2,992	\$2,737	\$2,473	\$2,202	\$6,677	\$493	\$-0-	\$-0-	\$-0-
Kansas Department of Health and Environment Water System interest	\$15,694	\$14,973	\$14,224	\$13,448	\$12,644	\$50,068	\$24,981	\$1,880	\$-0-	\$-0-

## CITY OF LITTLE RIVER, KANSAS

(Budgeted Funds Only)

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended December 31, 2014

	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance- Over (Under)
GENERAL FUND					
General Operating Fund	\$ 476,899	\$ -	\$ 476,899	\$ 212,637	\$ (264,262)
SPECIAL PURPOSE FUNDS:					
Library Fund	9,200	-	9,200	9,173	(27)
Employee Benefit Fund	18,000	-	18,000	13,333	(4,667)
Special Highway Fund	30,716	-	30,716	14,686	(16,030)
BUSINESS FUNDS:					
Gas Utility Fund	240,406	-	240,406	201,529	(38,877)
Water Utility Fund	439,746	-	439,746	126,317	(313,429)
Sewer Utility Fund	121,173	-	121,173	66,864	(54,309)
Solid Waste Fund	43,552	-	43,552	28,677	(14,875)



**CITY OF LITTLE RIVER, KANSAS  
GENERAL OPERATING FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS**

**For the Year Ended December 31, 2014**

(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)

	Prior Year Actual	Current Year		Variance- Over (Under)
		Actual	Budget	
Cash Receipts:				
Ad Valorem Taxes -				
Current Tax	\$ 73,658	\$ 69,087	\$ 74,200	\$ (5,113)
Delinquent Tax	3,970	3,664	-	3,664
Motor Vehicle Tax	16,463	18,493	18,339	154
Recreational Vehicle Tax	133	203	216	(13)
16/20M Vehicle Tax	114	75	127	(52)
Commercial Vehicle Tax	-	290	-	290
Special assessments	97	350	-	350
Insurance Reimbursement Hail Damage	8,185	-	-	-
Sales Tax	37,458	46,317	40,000	6,317
Compensating Use Tax	9,179	10,458	11,500	(1,042)
Licenses, Permits, and Fees -				
Franchise	13,686	13,911	14,500	(589)
Dog Licenses	790	701	1,500	(799)
Building Permits	110	80	150	(70)
Fines	3,919	4,996	4,500	496
Interest Income	860	872	1,250	(378)
Utility Penalties Collected	4,486	6,207	4,950	1,257
Miscellaneous Income	4,813	8,498	4,850	3,648
Transfers In -				
Gas Utility Fund	5,000	5,000	5,000	-
Special Highway Fund	3,260	3,673	-	3,673
Water Utility Fund	10,000	10,000	10,000	-
Total Cash Receipts	\$ 196,181	\$ 202,875	\$ 191,082	\$ 11,793
Expenditures:				
General Government -				
Personal Services	31,717	42,639	\$ 30,500	\$ 12,139
Contractual	29,339	31,009	25,750	5,259
Commodities	15,421	14,080	16,750	(2,670)
Capital Outlay			325,374	(325,374)
Debt Service Payments Principal	810	842	-	842
Debt Service Payments Interest	1,619	1,586	-	1,586
Public Safety -				
Personal Services	57,475	48,457	42,000	6,457
Contractual	2,051	2,298	950	1,348
Commodities	3,671	3,859	3,150	709
Capital Outlay	373	151	100	51
Street Lights	9,059	10,004	8,500	1,504
Streets	20,172	35,506	5,100	30,406

CITY OF LITTLE RIVER, KANSAS  
GENERAL OPERATING FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS  
For the Year Ended December 31, 2014  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)

	Prior Year Actual	Current Year		Variance- Over (Under)
		Actual	Budget	
Expenditures (Continued):				
Parks and Recreation	302	3,267	350	2,917
Appropriations -				
Library	-	87	75	12
Historical Library	562	2,367	800	1,567
Transfer Out -				
Equipment Reserve	10,000	10,000	10,000	-
Employee Benefits	-	800		800
Other -				
Dump	12	2	-	2
Sidewalk	667	36	-	36
Other	2,487	5,647	7,500	(1,853)
Total Expenditures	185,737	212,637	\$ 476,899	\$ (264,262)
Receipts Over (Under) Expenditures	10,444	(9,762)		
Unencumbered Cash, Beginning	261,683	272,127		
Unencumbered Cash, Ending	\$ 272,127	\$ 262,365		

**CITY OF LITTLE RIVER, KANSAS  
SPECIAL PURPOSE FUND - LIBRARY FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS**

**For the Year Ended December 31, 2014**

(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)

	Prior Year Actual	Current Year		Variance- Over (Under)
		Actual	Budget	
Cash Receipts:				
Ad Valorem Taxes -				
Current Tax	\$ 6,692	\$ 6,839	\$ 7,348	\$ (509)
Delinquent Tax	386	352	-	352
Motor Vehicle Tax	1,734	1,765	1,666	99
Recreational Vehicle Tax	14	20	20	-
16/20M Vehicle Tax	10	8	11	(3)
Commercial Vehicle Tax	-	26	-	26
Total Cash Receipts	8,836	9,010	\$ 9,045	\$ (35)
Expenditures:				
Library Board	8,855	9,173	\$ 9,200	\$ (27)
Receipts Over (Under) Expenditures	(19)	(163)		
Unencumbered Cash, Beginning	182	163		
Unencumbered Cash, Ending	\$ 163	\$ -		

**CITY OF LITTLE RIVER, KANSAS**  
**SPECIAL PURPOSE FUND - EMPLOYEE BENEFIT FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**REGULATORY BASIS**

**For the Year Ended December 31, 2014**

(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)

	Prior Year Actual	Current Year		Variance- Over (Under)
		Actual	Budget	
Cash Receipts:				
Ad Valorem Taxes -				
Current Tax	\$ 4,305	\$ 10,161	\$ 10,921	\$ (760)
Delinquent Tax	605	465	-	465
Motor Vehicle Tax	3,767	2,061	1,072	989
Recreational Vehicle Tax	31	27	13	14
16/20M Vehicle Tax	10	18	7	11
Commercial Vehicle Tax	-	17	-	17
Transfer from General	-	800	-	800
Total Cash Receipts	<u>8,718</u>	<u>13,549</u>	<u>\$ 12,013</u>	<u>\$ 1,536</u>
Expenditures:				
FICA and Medicare	2,904	3,757	\$ 6,000	\$ (2,243)
KPERS	2,670	3,830	5,000	(1,170)
Workers Compensation Policy	3,907	5,746	7,000	(1,254)
Total Expenditures	<u>9,481</u>	<u>13,333</u>	<u>\$ 18,000</u>	<u>\$ (4,667)</u>
Receipts Over (Under) Expenditures	(763)	216		
Unencumbered Cash, Beginning	<u>946</u>	<u>183</u>		
Unencumbered Cash, Ending	<u>\$ 183</u>	<u>\$ 399</u>		



**CITY OF LITTLE RIVER, KANSAS  
SPECIAL PURPOSE FUND - SPECIAL HIGHWAY FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS**

**For the Year Ended December 31, 2014**

(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)

	Prior Year Actual	Current Year		Variance- Over (Under)
		Actual	Budget	
Cash Receipts:				
State of Kansas - Fuel Tax	\$ 13,904	\$ 14,186	\$ 14,510	\$ (324)
Expenditures:				
Transfer to General Fund	3,260	3,673	\$ -	\$ 3,673
Contractual	12,340	11,013	30,716	(19,703)
Total Expenditures	15,600	14,686	\$ 30,716	\$ (16,030)
Receipts Over (Under) Expenditures	(1,696)	(500)		
Unencumbered Cash, Beginning	2,196	500		
Unencumbered Cash, Ending	\$ 500	\$ -		

**CITY OF LITTLE RIVER, KANSAS**  
**CAPITAL PROJECT FUND - MUNICIPAL EQUIPMENT RESERVE FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL**  
**REGULATORY BASIS**

**For the Year Ended December 31, 2014**

(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash Receipts:		
Transfer from General Fund	\$ 10,000	\$ 10,000
Expenditures:		
Commodities	<u>-</u>	<u>-</u>
<b>Receipts Over (Under) Expenditures</b>	10,000	10,000
<b>Unencumbered Cash, Beginning</b>	<u>20,000</u>	<u>30,000</u>
<b>Unencumbered Cash, Ending</b>	<u><u>\$ 30,000</u></u>	<u><u>\$ 40,000</u></u>



**CITY OF LITTLE RIVER, KANSAS  
BUSINESS FUND - GAS UTILITY FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS**

**For the Year Ended December 31, 2014**

(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)

	Prior Year Actual	Current Year		Variance- Over Under
	Actual	Actual	Budget	(Under)
Cash Receipts:				
Charges for services	\$ 188,138	\$ 229,747	\$ 169,500	\$ 60,247
Turn On Fees	1,540	1,760	1,900	(140)
Sales Tax	2,546	3,557	2,400	1,157
Other	4,326	1,393	1,900	(507)
Total Cash Receipts	196,550	236,457	\$ 175,700	\$ 60,757
Expenditures:				
Personal services	37,908	34,073	\$ 41,700	\$ (7,627)
Contractual	62,705	20,129	57,200	(37,071)
Commodities	77,229	137,887	79,000	58,887
Capital Outlay	-	-	54,906	(54,906)
Sales Tax	2,756	3,661	2,300	1,361
Other	1,601	781	300	481
Transfers to General Fund	5,000	5,000	5,000	-
Total Expenditures	187,199	201,529	\$ 240,406	\$ (38,877)
Receipts Over (Under) Expenditures	9,351	34,927		
Unencumbered Cash, Beginning	74,906	84,257		
Unencumbered Cash, Ending	\$ 84,257	\$ 119,184		

**CITY OF LITTLE RIVER, KANSAS  
BUSINESS FUND - WATER UTILITY FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS**

**For the Year Ended December 31, 2014**

(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)

	Prior Year Actual	Current Year		Variance- Over Under
		Actual	Budget	(Under)
Cash Receipts:				
Charges for services	\$ 130,051	\$ 133,443	\$ 153,500	\$ (20,057)
Turn On Fees	-	-	1,900	(1,900)
Water Protection Fee	723	711	1,000	(289)
Sales Tax	620	895	750	145
Reimbursed Expenses	534	1,500	2,250	(750)
Total Cash Receipts	131,928	136,549	\$ 159,400	\$ (22,851)
Expenditures:				
Personal services	41,231	41,081	\$ 41,500	\$ (419)
Contractual	19,897	22,373	-	22,373
Commodities	7,705	13,097	17,500	(4,403)
Capital Outlay	5,688	-	330,922	(330,922)
Debt Service	35,174	35,174	35,174	-
Sales Tax	679	851	750	101
Other	2,268	3,739	3,900	(161)
Transfer Out - General Operating Fund	10,000	10,000	10,000	-
Total Expenditures	122,642	126,317	\$ 439,746	\$ (313,429)
Receipts Over (Under) Expenditures	9,286	10,232		
Unencumbered Cash, Beginning	252,520	261,806		
Unencumbered Cash, Ending	\$ 261,806	\$ 272,038		



**CITY OF LITTLE RIVER, KANSAS  
BUSINESS FUND - SEWER UTILITY FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS**

**For the Year Ended December 31, 2014**

(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)

	Prior Year Actual	Current Year		Variance- Over (Under)
		Actual	Budget	
Cash Receipts:				
Charges for services	\$ 66,400	\$ 66,799	\$ 67,500	\$ (701)
Other	-	21	-	21
Total Cash Receipts	66,400	66,820	\$ 67,500	\$ (680)
Expenditures:				
Personal services	30,479	31,272	\$ 28,600	\$ 2,672
Contractual	16,618	20,822	15,700	5,122
Commodities	3,218	2,477	6,400	(3,923)
Capital Outlay	-	-	58,154	(58,154)
Other	-	35	60	(25)
Debt Service	12,259	12,259	12,259	-
Total Expenditures	62,574	66,864	\$ 121,173	\$ (54,309)
Receipts Over (Under) Expenditures	3,826	(44)		
Unencumbered Cash, Beginning	48,382	52,208		
Unencumbered Cash, Ending	\$ 52,208	\$ 52,164		

**CITY OF LITTLE RIVER, KANSAS  
BUSINESS FUND - SOLID WASTE FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS**

**For the Year Ended December 31, 2014**

(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)

	Prior Year Actual	Current Year		Variance- Over (Under)
		Actual	Budget	
Cash Receipts:				
Charges for services	\$ 28,630	\$ 30,257	\$ 28,500	\$ 1,757
Expenditures:				
Contractual	28,087	28,677	\$ 28,000	\$ 677
Capital outlay	-	-	15,552	(15,552)
Total Expenditures	28,087	28,677	\$ 43,552	\$ (14,875)
<b>Receipts Over (Under) Expenditures</b>	543	1,580		
<b>Unencumbered Cash, Beginning</b>	14,552	15,095		
<b>Unencumbered Cash, Ending</b>	\$ 15,095	\$ 16,675		